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FIRST DISTRICT MEMBER
STATE BOARD OF EQUALIZATION

Deductions and Credits for Everyday People

Raising children and sending them to college, searching for employment, saving for retirement, caring for an elderly adult, contributing to charity. . . all these activities or events in your life may be associated with tax deductions and credits.

Knowing about these tax benefits could help you save money and time filling out your tax forms.

Have children? You may be eligible for the Child Tax Credit of up to \$1,000 for each qualifying child under 17; the Child and Dependent Care Credit, based on childcare expenses for children under 13; and the Earned Income Tax Credit of up to \$5,761 for those who earned less than \$49,078 in 2011. The [IRS website](#) has more information.

Paying college expenses? You may be eligible for the [American Opportunity Tax Credit](#) of up to \$2,500 or the Tuition Fee Tax Deduction of up to \$4,000.

Are you a teacher? Did you purchase school supplies with funds out of your own pocket? You could be entitled to [deduct up to \\$250](#).

Job hunting? You may be able to deduct expenses such as preparing a résumé or other job-related expenses.

Saving for retirement? [Individual Retirement Account](#) (IRA) contributions are often tax deductible, and you have until April 17 to make IRA contributions and claim them on your 2011 tax return.

Caring for an elderly parent? If you are and you are not married, you may be able to file as head of household, which could result in paying less tax. If you are married and caring for an elderly parent, the married filing joint status will result in the same tax savings. Each dependent you claim, including a child who is away attending college or a dependent parent, may reduce your federal income by \$3,700. To learn more, go to the [Interactive Tax Assistant](#) tool on the IRS website.

Donating to charity? If you are claiming [charitable donations](#), make sure you have the proper documents. The charitable organization should provide you with a letter confirming the amount of your donation.

These are a few major deductions and credits that are often overlooked. Please ensure you, your family, friends and clients have all of the information to benefit from these important tax benefits.